

TERNA: SUCCESSFUL LAUNCH OF A NEW GREEN BOND FOR 500 MILLION EUR

- *Sustainability is key element of the investment plan for the development of the Italian country*

Rome, 3 April 2019 – TERNA S.p.A. today successfully launched a green bond addressed to institutional investors. The issuance has been very successful in the market with an oversubscription of approximately 7 times the offered amount and is made under Terna's Euro 8,000,000,000 Medium Term Notes Programme (EMTN), which has been rated "BBB+" by Standard & Poor's, "(P)Baa2" by Moody's and "BBB+" by Fitch for an aggregate amount of 500 million Euro.

The green bond has been issued with a tenor of 7 years and a maturity date falling on 10 April 2026, will pay a coupon of 1.000%, with an issue price equal to 99.886%, a spread of 78 basis points over the midswap and an indicative spread of approximately 100 basis points lower than the Italian BTP having same maturity. The actual cost for Terna, in respect of such issuance, is therefore equal to 1.02% as opposed to the aggregate average cost of the consolidated debt equal to 1.6% over the new Strategic Plan period. An application will be made for the green bond to be listed on the Luxembourg Stock Exchange.

The net proceeds from the issuance will be used to finance the company's eligible green projects identified and/or to be identified in accordance with the Green Bond Principles 2018 published by the International Capital Market Association (ICMA). Terna therefore confirms its strategy aimed at combining sustainability and growth to promote the current energy transition and generate greater benefits to the Italian country and all the stakeholders. In this respect, the company has outlined and published a Green Bond Framework to facilitate the transparency and quality of the green bonds issued. The Framework and the second party opinion, prepared by the independent advisor Vigeo Eiris, are available to the public on company's website (www.terna.it).

The green bond was placed by a syndicate of banks formed by Banca IMI, BNPP (also acting as Green Structuring Advisor), Citi, Goldman Sachs, Mediobanca, Santander and UniCredit acting as joint lead managers and joint bookrunners.

This press release (the "Press Release") (including the information contained herein) does not constitute or

is part of an offering or an invitation to purchase the Notes issued by the Company. No action has been taken or will be taken by the Company that would permit an offering to sell or an invitation to purchase the Notes in any jurisdiction where actions for such purposes are required.

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The Notes have not been and will not be registered under the United States Securities Act of 1933, as subsequently amended (the "Securities Act"), and may not be offered or sold in the United States of America without a registration or a specific exemption from registration under the Securities Act.

In the United Kingdom this Press Release is directed only to: (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), and qualified investors under Article 49(2) from (a) to (d) of the Order, and (ii) to whom this Press Release may otherwise be lawfully communicated (together being referred to as "Relevant Persons"). This Press Release must not be acted or relied upon by persons who are not Relevant Persons. Any investment or investment activity, to which this Press Release relates, is considered in the exclusive interest of and only addressed to the Relevant Persons and will be undertaken only with Relevant Persons.

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